

# The AMERICAN OBSERVER

*A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe*



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## Issue Develops Over Group Medical Care

**Nation-Wide System of Health Insurance Recommended for Families of Low Income**

**PROGRAM OPPOSED BY DOCTORS**

**American Medical Association Believes Effectiveness Would Be Destroyed**

A problem which is growing, both in size and in seriousness, is that of providing proper medical care for the mass of people with low incomes. Even before the depression began, millions of families were too poor to pay doctor and hospital bills when illness entered their homes. In the last few years the situation has become far more acute. It is conservatively estimated that about 70 per cent of all American families are unable, with their present incomes or lack of incomes, to meet the necessary medical costs when one or more of their members is taken ill.

### Doctors Not Well Off

This unfortunate situation gravely affects both physicians and those who are ill. Doctors are compelled to do considerable charity work. They have a difficult time in collecting money from their patients. The average doctor or dentist must work hard in order to receive an income ranging from about \$1,500 to \$2,500. It is true that many physicians, and particularly specialists, make more than these amounts. But the average doctor does not.

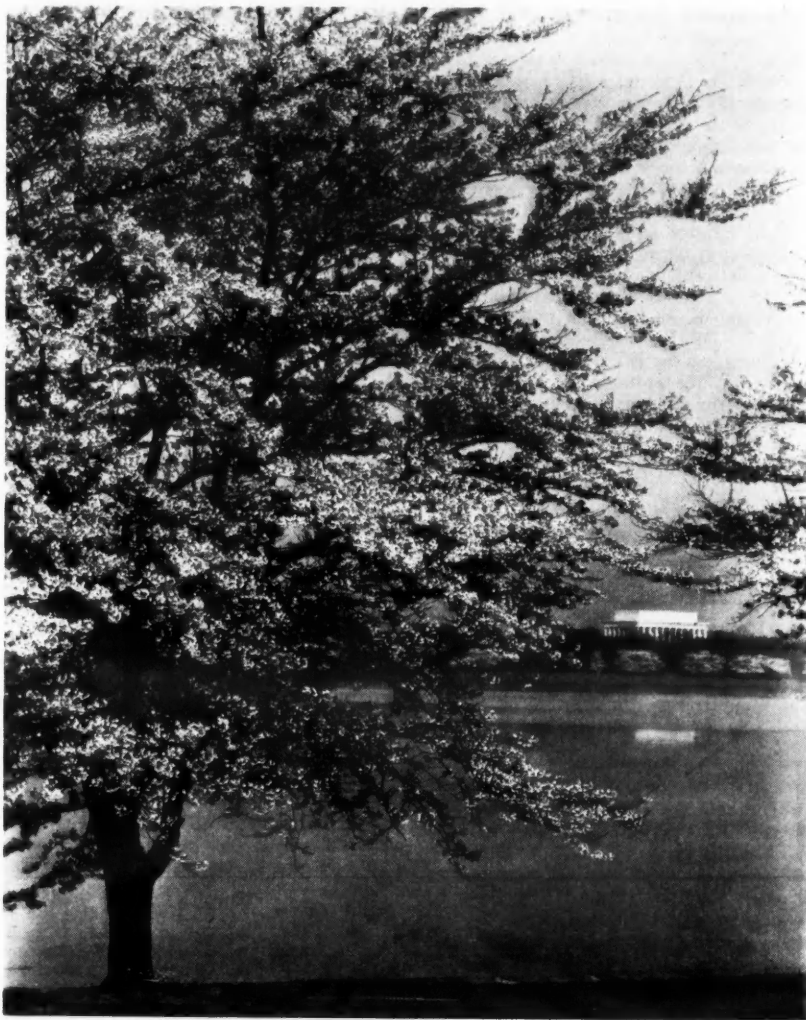
Next let us take the case of the average sick person of poor means. Frequently he hesitates to call in a doctor because of the expense involved. In the effort to avoid this expense he often resorts to patent medicines which may be harmful. Sometimes he waits so long before calling a doctor that his illness, which perhaps could have been checked in its early stages, has become serious. Then, if death does not overtake him, he is likely to be sick for a long period of time. If he cannot obtain money from his relatives or friends, his doctor will be paid little or nothing for the case. This, of course, is costly to the doctor. It is estimated that one-sixth of the entire population at the present time receives free medical treatment.

It is impossible to overemphasize the gravity of this problem. Likewise it is impossible to know how many people die each year because of not being able to afford medical treatment when they need it. We do know, however, that thousands of deaths occur annually on this account. Dr. Thomas Parran, Jr., New York state health commissioner, declared some time ago that 50,000 people die each year in New York alone for lack of proper medical care.

This is indeed a shocking statement. So are the figures on the death rate among babies of poor families in this country. Upon examination, we find that out of every thousand babies born in rich families, 11 die, while out of every thousand born in poor families, 66 die. These and other statistics present convincing evidence of the need of making it possible for the millions of families with low incomes to obtain proper medical care and health protection.

Admitting that the problem is a serious one, what can be done about it? Some people believe the answer is health insurance.

(Concluded on page 5, column 2)



CHERRY BLOSSOM TIME IN THE NATION'S CAPITAL  
During the month of April, each year, thousands of visitors come to Washington to view the celebrated blossoms.

## Lazy Days

These early days of spring are days of beauty. The cherry blossoms, the Forsythia, the dogwood, the redbud, the tulips will add dashes of color this month to the soft shades of green which nature spreads everywhere before us. But the spring days are less stimulating than they are beautiful. This is the time when we let down a bit. We are approaching the season when "spring fever" becomes epidemic. We miss the bracing tonic supplied by the winter days. We relax in the warm and perfume-laden air and tend to forget the duties to which we have been so attentive.

Spring fever is not a new ailment. It was felt long ago in the times of our grandfathers. The spring lassitude was looked upon then as a physical malady and drastic measures were taken to cope with it. Everyone was supposed to take medicine in the spring, for the blood had to be purified. And the taking of medicine in those days was no light matter, for the physicians and the pharmacists had not invented pleasing or inoffensive pellets. As spring came on, everyone had to take large doses of rhubarb and molasses and sulphur to clear up the blood and give tone to the body. We know now that spring fever is a product of social as well as physical conditions. The indisposition to work in the spring comes partly from the fact that there is so much else that one would rather do. The outdoors is calling. The baseball season is coming on and all sorts of games beckon to us, to the young and the old. It may be marbles for the little tots and golf or motoring for the gray-beards, but the bright, warm outdoors calls to all.

These days of letting down, however, may have their uses, especially for those who are possessed of physical energy and power of will. If one is looking for a chance to spring into leadership here may be his opportunity. He has not, perhaps, during the winter months, been able to widen the gap between himself and his more or less mediocre associates. When he has gone forward they may have tagged unpleasantly at his heels. But now it is not so easy to work. Especially in the school there is a tendency to slip. Those who follow the line of least resistance will lie down on the job. Most people will let up perceptibly this month. Most students in the classes will fall down a little. The one who is morally and physically able to go on when the going is hard will stick closely to his tasks during these weeks. He will insist upon a high grade of achievement. He will prove that he can overcome obstacles and the obstacles will prove to be stepping-stones toward a position of distinction.

## Curb on War Profits Asked by Committee

**Nye Munitions Body to Recommend Drastic National Program of Control for War Time**

**ROOSEVELT ATTITUDE UNKNOWN**

**President Said to Favor Mild Plan of Control of War Profits**

The United States government is at present considering ways and means of accomplishing something which has never been attempted by any country—a thing which many people consider an impossible task. It is studying plans by which the profits may be taken out of war. This effort is largely the result of the work of the Senate committee which has spent several months studying the activities of American munitions makers and which is about to make its report and recommendations. It is an effort which has the blessing of President Roosevelt, for only a few months ago he declared emphatically that steps should be taken now, in time of peace, to prevent industrialists from making the huge profits which they always make when the nation is engaged in war.

### War Profits

It is an interesting fact of history that the business men of the United States have made their most astonishing progress during periods when the nation was at war. During the Civil War, the manufacturers of the North, both manufacturers of munitions and direct war materials and those of other industrial products, made colossal fortunes as a result of their increased business and higher prices. "Through financing the federal government and furnishing supplies to its armies," writes Charles A. Beard, the eminent historian, "northern leaders in banking and industry reaped profits far greater than they had ever yet gathered during four years of peace." To an even greater extent the same thing was true during the World War because the activities of business became more extensive. Not only did American manufacturers and financiers have to supply the needs of their own government, but also those of several other important nations engaged in the conflict.

Exactly how profitable the World War was to American industrialists may be seen from a few actual cases. From 1916 to the end of 1918, the United States Steel Corporation made profits amounting to \$633,000,000, more than three times as much as it had made during the three previous years. In 1914, the Hercules Powder Company paid dividends amounting to eight per cent. In 1916 it paid dividends amounting to 95 per cent. The total war profits of the du Pont Company amounted to \$265,871,625, and between 1914 and 1915 its earnings jumped from \$4,997,000 to \$86,000,000. While these cases are of munitions makers, who naturally profited more than ordinary manufacturers, an examination of other industries will show that they, too, gained substantially as a result of the war demand for their goods.

The government is now attempting to work out some plan which would prevent such a thing as this from happening again if the United States should become in-

(Continued on page 6, column 1)





THE dust storms which swept across the country last week are causing government officials serious concern. High winds picked up millions of tons of dry soil from the drought-afflicted areas of the West and whirled it across the country in yellow-gray clouds which darkened cities and left thick deposits of choking dust on the farm crops in its path.

The combination of a new drought and the dust storms, which are in part a result of the drought, is giving the Agriculture Department some alarm over a possible wheat shortage. For this reason the AAA has lifted the restrictions which it had placed on wheat production in order to assure the farmers a good price. Farmers are now being encouraged to plant as much wheat as they wish, provided they agree to reduce their output next year as much as they increase it this season.

An even more ominous menace presented by the drought and dust storms is the threat that unless something is done to prevent the drying up of some of our western lands, the day may come when half a dozen states will have been turned into a "great American desert." Soil experts are not sure that the evil can be checked, but nevertheless some efforts can be made. They attribute the condition, in part, to the cutting down of trees and the loss of grass caused by excessive grazing. The presence of trees and vegetation is essential to retain moisture in the soil, and for this reason the government may buy up huge tracts of land for reforestation purposes.



### Billions for Relief

After more than two months of controversy and delay, the Senate has finally passed the huge appropriation, amounting to almost five billion dollars, which President Roosevelt asked for at the opening session of Congress. The bill was passed by the House some weeks ago, but since the Senate made several changes and additions, it will have to be reconsidered by a joint committee of both houses and then voted on once more in the form worked out by the committee.

While there was little doubt that the measure would eventually be passed, there was a hard fight over many of its provisions (see THE AMERICAN OBSERVER, March 4 and March 18). As finally passed by the Senate, however, it is substantially what the President requested. Among its chief provisions are the appropriation of \$4,000,000,000 for work-relief projects; the further appropriation of \$880,000,000 for direct relief until those now unemployed can obtain work-relief jobs; the grant of power to the President to use his discretion in the distribution of funds, within certain limitations; and authority for the President to fix the wages to be paid for work on the relief projects (except in the case of federal buildings, on which the prevailing wage must be paid).

In order to get the bill passed, the administration leaders in the Senate consented to an amendment offered by Senator Thomas of Oklahoma, which calls for the printing of currency to the extent of the amount of silver in the federal treasury. It was generally thought that this inflationary provision would be eliminated by the conference committee.

### The Bonus Again

Once more the question of paying the soldiers' bonus stands in the foreground of the national political picture. Should the federal government turn over to the war veterans the full

amount of the bonus, which is not due until 1945? President Roosevelt's answer is a decided "No." He does not think that the soldiers should insist on the government's paying out so much money at a time when unemployment relief is so costly. He points out that the veterans are receiving relief in the same way as other citizens, and he does not agree that they are entitled to such a degree of favoritism. The ex-soldiers, speaking chiefly through the American Legion and similar organizations, argue that immediate payment of the bonus will stimulate recovery by putting more money in circulation and by lessening the relief burden.

Recently the House of Representatives passed a bill sponsored by Congressman Wright Patman, of Texas, which calls for immediate payment of the bonus. This bill, which won by the overwhelming vote of 318 to 90, was chosen in preference to the Vinson bonus bill, which was also considered. The Vinson measure would raise the funds for the bonus payment by taxation, while the Patman bill proposes simply to print the necessary money, thus forcing a mild inflation. While it is very possible that the Patman bill will be passed by the Senate, it is certain to be vetoed by the President. The only question which remains is whether or not the sentiment in its favor is strong enough to pass it over the presidential veto.

### A Tactical Blunder

An amusing incident occurred in the Supreme Court recently. In the course of an argument in a railroad pension case, Harold M. Stephens, assistant attorney general, told the court: "It is a commonplace fact that physical ability, mental alertness and cooperativeness tend to fail after a man is 65." Of the nine Supreme Court judges, only three are less than 65 years of age—Justices Roberts, Stone, and Cardozo. Justice Butler is 69, and all the others are well past 70. They listened patiently and gravely to the comment of the 49-year-old Mr. Stephens.

### New Solicitor General

As a reward for his valuable aid in preparing the government's case in the recent gold-clause controversy, Stanley Reed has been promoted to the office of solicitor general. This post is next in rank in the Department of Justice to that of attorney general. It is the solicitor general's duty to represent the government in most of its cases before the Supreme Court. In addition he may, at the request of the attorney general, conduct and argue any case in which the United States is interested in any court in the land and direct the local federal law officers when the occasion demands. No appeal is taken by the United States to an appellate court without the authorization of the solicitor general. Mr. Reed succeeds J. Crawford Biggs, who resigned several weeks ago.

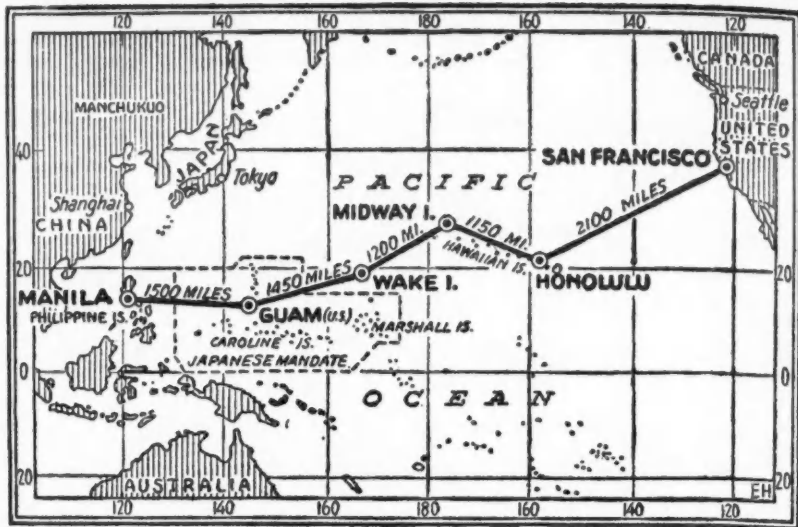
### Mavericks

One more sign that the old political party lines are beginning to weaken is the recent formation of a group in Congress



SLUM CLEARANCE FOR CLEVELAND

The Public Works Administration has made \$3,000,000 available for the erection of the above apartments in Cleveland's slum district.



AIR BASES FOR THE PACIFIC

The location of five bases which will make possible an air route from the United States to the Far East. The necessary construction is about to be launched by Pan American Airways.

known as the Mavericks. This group is made up of 35 liberal representatives belonging to all parties. At the call of Representative Kvale, of Minnesota, the Mavericks met and adopted a legislative program which is significant. Among their chief proposals are: government ownership of natural resources industries (coal, oil, etc.), government control of bank credit, guarantee of farm profits, shorter hours for labor, and higher income taxes.

In view of the fact that there are 435 members in the House, 35 is not a large number, but the Mavericks may well succeed in blocking legislation enough to make their demands felt. In any case, their more conservative colleagues in the House may be forced to make some concessions in legislative battles in order to keep the Mavericks from growing stronger.

### Youth Week

It has become a custom in this country to set aside days or weeks during which particular attention is given to some cause or movement. The newest of these, and certainly one of the most important, is Youth Week, which is to be celebrated from April 27 to May 4. The purpose of Youth Week, which is an outgrowth of Boys' Week, is to make young people conscious of the fact that they will be the leaders of tomorrow.

The committee in charge of this movement has planned a special topic for each of the seven days. The programs are to begin on Saturday, April 27, with parades and meetings in schools and churches, emphasizing the need of giving attention to the problems of youth. Sunday is Youth Day in the churches, and the attempt will be made to show the importance of spiritual growth. Monday is to be Youth's Vocational Day, and it is hoped that in every community, groups of young people will be taken on tours to the various industrial enterprises and that vocational opportunities will be stressed. Tuesday is Youth Day in Entertainment and Athletics. Wednesday, Youth's Health Day and Evening at Home, emphasizes the importance of encouraging health of body and mind. Thursday is Youth Day in Schools, and educational problems and opportunities will be studied. Friday, Youth's Day of Citizenship, is intended to "impress upon boys and girls that it is their duty to take an intelligent interest in civic affairs." Saturday will close the week with Youth's Day Out of Doors, which calls for outdoor rallies and games.

Complete and detailed suggestions for the observation of this week may be had by addressing the National Youth Committee, Room 950, 35 East Wacker Drive, Chicago, Illinois. Now that the Youth Week movement has been launched the committee is doing its utmost to make it a success. Since this is the first year of the experiment, unusual care is being taken in making the detailed preparations.

## THOUGHTS AND SMILES

"Fish never stop growing," says a naturalist. Especially after they are caught.

—Washington Post

A meteorologist is one who can tell the difference between a thunderstorm and Gen. Johnson on the radio.

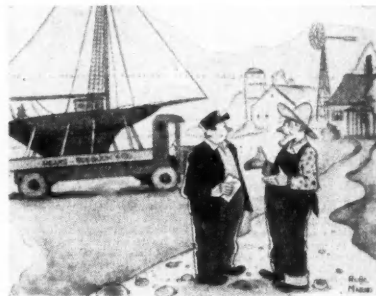
—St. Louis Post-Dispatch

Our sympathy is cold to the relation of distant misery.

—Edward Gibbon

When the time comes that the country has a woman President, we shall have an executive who can change her mind as fast as Congress can.

—Roanoke (Va.) Times



"I DISTINCTLY SAID A GOAT!"

—From JUDGE

Thugs recently robbed four men whom they had caught in the act of singing "Sweet Adeline." Nevertheless something ought to be done to the thugs.

—Pasadena (Calif.) Post

A Kansas weekly reports the traffic safety drive in its town has made some gains, as motorists are now sounding the horn before running down pedestrians.

—Fort Worth Star-Telegram

There are two sides to every question—your side and the wrong side.

—Detroit Free Press

O Liberty! Liberty! how many crimes are committed in thy name!

—Madame Roland

The government may yet have to step in and revive vaudeville, to get the clowns out of the more serious callings.

—San Francisco Chronicle

The chief difficulty in getting out of a depression lies in the fact that it's hard to fill up one hole without digging another.

—Washington Post

From ignorance our comfort flows. The only wretched are the wise.

—Matthew Prior

An investigator reports that in Missouri and Arkansas hillbilly crime is decreasing. Probably not decreasing—just transferred to the radio.

—Providence News-Tribune

We know a fellow who bought a car to see the world. He's seeing it now, but it isn't this one.

—McPherson (Kans.) Republican

Error of opinion may be tolerated where reason is left free to combat it.

—Thomas Jefferson



# AROUND THE WORLD

**Great Britain:** What will the British do? This was the most important question facing Europe as Sir John Simon, British foreign secretary, went to Berlin on March 24 to discuss Germany's rearmament program with Adolf Hitler. The events leading up to this visit were detailed in THE AMERICAN OBSERVER last week. It had originally been planned as another stage in a long series of negotiations which had for their object the granting of armaments equality to Germany in return for



—From a drawing by Erna Plachte  
SIR JOHN SIMON

her promise not to attempt to alter by force the territorial limitations imposed by the Versailles Treaty.

But Herr Hitler's blunt declaration that Germany was claiming the equality without offering anything in return disrupted the negotiations and increased the feeling that the future would inevitably mean war for the continent. The French, the Italians, and the Russians were fully convinced that nothing more was to be gained by carrying on discussions with Germany and were all for the forging of an iron ring of alliances among the great powers to guard against a remilitarized Germany.

England, however, true to her traditional policy of refusing to cast her lot either with one group or another—preferring instead to hang like a balance between them, throwing her influence first to one side then to another, thus gaining for herself the advantage of acting as arbiter, and hence as the chief deciding force in European quarrels—refused to acquiesce immediately to Franco-Italo-Russian wishes. Acting independently she sent a mild note of protest to Germany and offered to send Sir John Simon to Berlin despite Hitler's denunciation of the Versailles Treaty. Hitler, naturally, warmly accepted the offer. He realized that his assertion of Germany's intention to build a large army would tend to drive the other nations into a policy of united opposition to him. Yet he hoped somehow or other to keep them divided and thereby frustrate any effort to weld a ring of alliances around Germany.

The British offer to continue negotiations provided Herr Hitler with the opening he needed. Hints of a 20-year nonaggression treaty between Great Britain and Germany fell to the ears of the press. When Sir John reached Berlin he was received with every possible gesture of cordiality, even to cheering on the part of people in the streets. It was a welcome calculated to make the British foreign secretary feel that Germany's attitude toward England was anything but hostile.

However, it was by no means certain that Sir John was as favorably disposed to the Germans as Hitler doubtless would have liked him to be. There were some indica-

tions that the British had realized that the old balance of power game had lost its usefulness and that Sir John's visit was merely intended as a means of learning as fully as possible just what Hitler had in mind when he threw over the Versailles Treaty. There were reports to the effect that Sir John would still attempt to persuade Hitler to accept the Franco-British London agreement which offered Germany armaments equality in return for her acceptance of her territorial limits. If Hitler refused, it was said, England would throw her full weight behind France.

But whether or not this version was accurate could not be established at the time of the Simon visit. The French, for a fact, were suspicious. They had been alarmed and indignant when Britain sent a weak note to Germany in protest against the violation of the Versailles Treaty. When they learned that Simon was going to Berlin anyway they insisted that there should first be a meeting of British, French, and Italian statesmen to show Germany that she still faced a united front of nations. The British reluctantly agreed to this and sent Captain Anthony Eden, Sir John's diplomatic assistant, to Paris on March 23. The conference was duly held. The united front was duly announced. But France remained skeptical.

Much will depend on the Simon visit. It will form the basis for discussions, and possibly for action, among the powers. Following the visit another and more important meeting of statesmen is scheduled to take place at Stresa, Italy. To this conference will come Sir John himself, French Foreign Minister Laval, and Premier Mussolini. Russia and the Little Entente—Czechoslovakia, Rumania, and Yugoslavia—may also be represented. And after this the Council of the League of Nations will meet in special session to consider Germany's violation of the Versailles Treaty. These meetings and conferences will very likely determine how long Europe can remain at peace.

**France:** On March 14—two days before Hitler's rearmament proclamation—a quiet meeting took place in Nice, along the smiling French Riviera. There were, in all, 107 gentlemen at this gathering, representatives of steel manufacturers in a number of countries. After the conference a meager statement was issued to the press declaring that the steel and iron makers had met to consider mutual trade interests, principally steel rails.

Among the delegates to this convention were representatives of the Maxim (British), Vickers (British), Skoda (Czechoslovakian-French), Krupp (German), Schneider-Creusot (French), and Bethlehem Steel

(American) companies. These companies, as is only too well known, are among the world's largest manufacturers of munitions. Recent revelations have shown how in the past—even during the war—they have conspired among themselves, stirring enmity among nations with a view to increasing the arms trade. This is not to say that the latest meeting of the international merchants of death had anything to do with subsequent developments in Germany, France, and Great Britain. But it would have been interesting to listen in on their quiet conversations.

To understand why France and Russia became so alarmed when Germany announced her intention of rearming it is only necessary to consult several passages in Hitler's biography, "My Struggle." This book is commonly known as the Nazi Bible.

It was written a number of years before Hitler came into power and, so far, Nazi policy has been in accordance with its teachings without any deviation. The German foreign office has tried to counteract the influence of this book on foreign countries, particularly France. Hitler himself has made frequent protestations of peaceful intentions, but the offensive passages have not been deleted from this book which is required reading for every Nazi. It is the following paragraphs which are the cause of so much uneasiness abroad:

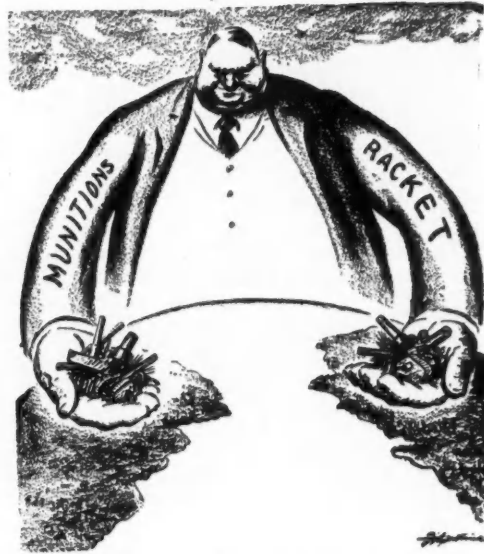
Regarding ultimate aims: France remains the implacable deadly enemy of the German people. Only when Germany has completely learned to understand that the living forces of the German nation must not be cramped in merely passive defense but must be welded together for a final contest with France, then only will it be possible to end the fruitless eternal struggle between us. But this is only under condition that the annihilation of France is really only a means to give our people possible expansion elsewhere.

Today we count 80,000,000 Germans in Europe. Only will this foreign policy be recognized as right when after scarce 100 years 250,000,000 people live on this continent, not pressed together as factory coolies for the rest of the world but as farmers and workers supporting one another through their work. And when we speak today of new grounds and new soil we can think only of Russia and the border states subject to her.

**Germany:** On the other hand, Germany's problems are such that nothing short of expansion can offer a solution. In an article on "Germany's Shattered Economy" in the April Current History Willson Woodside presents the following for consideration:

It is difficult to see how Hitler can solve the problem and reestablish the country, peacefully. Too many Germans are cramped into too small a space. For 60 years an increasing population has been supported by growing industry. Between 10,000,000 and 12,000,000 Germans depend on the export trade for a livelihood. Not only must the export trade continue to sink under the Hitler-Schacht régime on account of things like rising costs of production and lowered quality, but viewed largely the good old days of the export business appear gone, at least for this generation. Industries established throughout the world, often artificially fostered behind national barriers, have strangled it. . . . There have been three attempts to bring about German domination or recovery—the war, the inflation of 1922, and the Nazi revolution, and if the third fails, Germany may be overwhelmed by chaos.

**Philippines:** Toward the end of 1899, the Philippines came under full control of the United States, and preparations were made to organize a colonial government there. An American investigating committee reported in January, 1900, that the Philippine Islands could not stand alone but



WORKING BOTH SIDES OF THE WORLD  
—Fitzpatrick in St. Louis POST-DISPATCH

required the guardianship of the United States. However, the report foresaw that Filipinos would acquire their "independence after an undefined period of American training."

In the 35 years that have elapsed since that investigation, leading Filipinos have unceasingly campaigned for independence. At length their time has come. On March 23, President Roosevelt signed the new Philippine constitution. It provides that the islands will have a commonwealth government for 10 years, after which it will become an independent "Republic of the Philippines." This means that for 10 years the Philippines will govern itself independently, but will remain nominally under the American flag.

**Belgium:** On this page last week there was an article on Belgium's financial difficulties. The situation became so discouraging that Premier Theunis had to dissolve his cabinet and resign. Young King Leopold was in a dilemma. This was the second cabinet within a few months that had failed, and no one in Belgium seemed capable of lining up a strong new cabinet. He consulted with political leaders of all shades of opinion. At length he asked Dr. Paul Van Zeeland, a bank director, to be premier and select a new cabinet.

Dr. Van Zeeland is more a brain-truster than a statesman. As a graduate of Princeton University, he has kept in close touch with American affairs and is a warm advocate of the Roosevelt type of government. In his cabinet, he expects to bring together members of Belgium's principal political parties: Catholics, Liberals, and Socialists. These parties differ greatly on most questions, but all three agree that every effort should be made to keep Belgium on a gold standard.

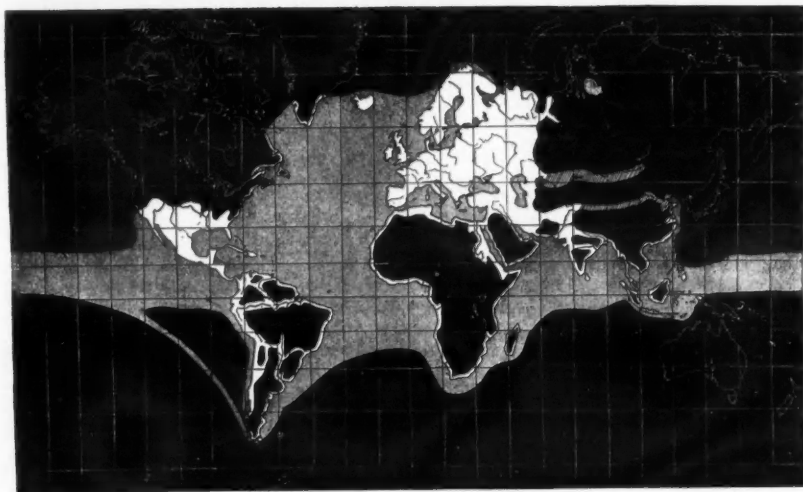
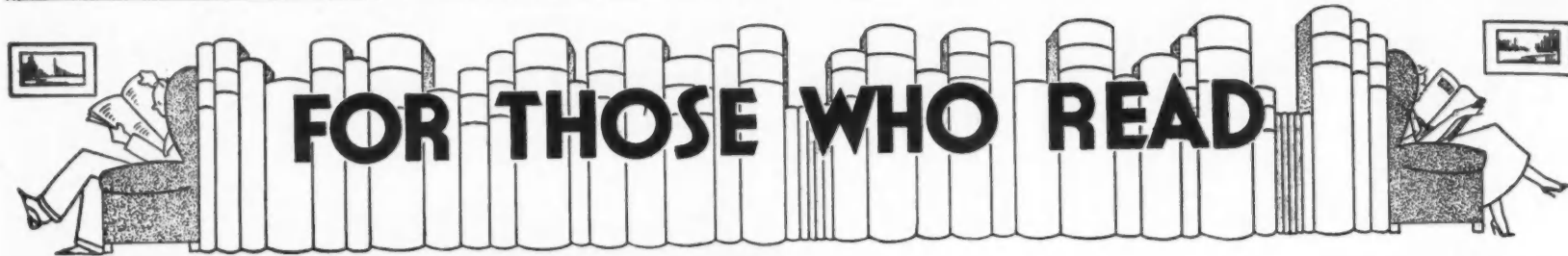
**Poland:** One can scarcely imagine the Congress of the United States voting its own extinction. Yet that is exactly what the Polish legislature, or "Sejm," did last week, when it voted in favor of a new fascist style of constitution. The Sejm will continue to meet, but in the future it will have practically no power. It will simply act as a rubber stamp to Poland's president-dictator.

As yet the new president-dictator has not been elected, but there can be little doubt that Marshal Pilsudski, minister of war, will be the popular choice. Pilsudski has been the real ruler of Poland for nine years. He refused to be president under Poland's old democratic constitution, but now that he may enjoy almost absolute power it seems probable that he will accept.



THE ROAD BACK  
—Elderman in Washington Post





MAP OF THE WORLD IN 1550

An illustration from "Unrolling the Map."

### Romance of the Map

Sometimes maps seem rather dull and complicated things, with their mathematically exact parallels of latitude and longitude, and their neat continents and islands. But after you read "Unrolling the Map," by Leonard Outhwaite (Reynal and Hitchcock. \$3.75), you will undoubtedly view them in an entirely different light. This book tells the story of the centuries of adventure and exploration which lie behind the making of the map. Many tremendous hardships and gallant struggles have changed its shape from time to time. The voyages of Ulysses, the battles of Alexander the Great, and the discoveries of Amundsen are all recounted in this book, as well as the achievements of less famous explorers. It is an excellent companion book to regular history texts for it effectively dramatizes man's conquest of the world.

### Men of Erin

If you saw that excellent English movie, "Man of Aran," you will be particularly interested in "The Islandman," by Tomas O'Crohan (New York: Charles Scribner's Sons. \$2.50), the book from which this movie was taken. The author is an old peasant who has lived all his life on the Blasket Islands, off the southern coast of Ireland. For centuries, the inhabitants of these rugged islands have been leading the kind of life described in this book, which is rapidly vanishing with the spread of modern civilization. They depend for their living chiefly on farming and fishing. They live in small stone huts, roofed with felt or thatch, in the rooms of which dogs, cows, and pigs wander about as they please. Like most of the islanders, the author has had little education, but he tells his interesting story simply and well. Numerous photographs are included.

### Francis Stuart

Francis Stuart is a young Irish novelist. In his latest book, "Things to Live For" (New York: The Macmillan Company. \$2.50), he presents a collection of autobiographical notes on experiences he has had and people he has known. Mr. Stuart is the kind of person who loves excitement and adventure. Economic security and domestic ties do not have much place in his philosophy. He does not settle down in any

one place for fear of missing something somewhere else, and his wanderings lead him through many countries. He has done things as diverse as studying in a monastery and fighting in the Irish revolution. He has won and lost fortunes overnight betting on horse races, and he has spent months caring for the sick who go to religious shrines hoping for miraculous cures. Although the world would be a queer place if everyone shared Mr. Stuart's ideas on life, his book is beautifully written, and his enthusiasm and love of adventure are very stimulating.

### Rural France

The scene of "Mount Peacock; or Progress in Provence," by Marie Mauron (New York: The Macmillan Co. \$1.75) is laid in Provence, a district in southern France, and one of those increasingly rare places in Europe which modern progress has left untouched. The things which we Americans take for granted, like automobiles and electric lights, are viewed with indifference, if not with distrust, by the natives of Provence. In Mt. Peacock, one of its towns, Mlle. Mauron held the combined offices of schoolmistress and secretary to the mayor. Amazed at the inefficiency and old-fashioned methods with which the town's business is conducted, she tries to introduce more modern ways. Her struggles to get the mayor and town council to put through certain modern improvements give one an excellent insight into the character of the French peasant, who is distrustful of the new, and firmly con-

vinced that what was good enough for his grandfather is good enough for him.

### Pennsylvania Town

A small Pennsylvania town at the turn of the century is the scene of a light but interesting novel by Elsie Singmaster, entitled "The Magic Mirror" (Boston and New York: Houghton Mifflin Co. \$2.50). The chief characters are the various members of the Hummer family, which consists of Stanley, Mamie, and Jesse, and their mother and father. Stanley is a ne'er-do-well who causes his family many anxious moments because he is fond of gambling. He soon discovers, however, that this pursuit does not pay. Jesse is a brilliant, studious boy, whose ambition is to become a writer. Mamie is very beautiful, and in love with the son of the town's leading citizen. How these three young people eventually realize their various ambitions makes this an interesting and enjoyable tale.

### On the Santa Fe Trail

"Jornada," by R. L. Duffus (New York: Covici Friede. \$2), is a tale of the old Southwest, of a caravan of covered wagons which travels over the prairies and deserts on its way to Santa Fe. Its leader, Captain Peyton, has a beautiful Spanish wife, Dona Mercedes. The latter falls in love with young Collins, a member of the party, and he with her. When the group reaches Santa Fe, these three are involved in political intrigues in the war then going on between the United States and Mexico. Dona Mercedes and Collins are accused of conspiracy, and their love for one another seems to grow more hopeless every day, when—but we shall not spoil it for you by giving away the plot. Suffice it to say that it is the kind of book you will not want to put down until you have found out how it all ends.

### In Washington's Own Words

"The Autobiography of George Washington," arranged and edited by Edward C. Boykin (New York: Reynal and Hitchcock. \$2.50) is the story of George Washington as told by himself. Mr. Boykin has had the interesting idea of collecting the most significant excerpts from Washington's letters and diaries and arranging them in chronological order to tell the story of his life. We first meet Washington when he is starting out on his public career as an envoy sent to the French in Ohio by the governor of Virginia. We fol-

low him on through the Revolution and the presidency up to his death at Mount Vernon. Included in the book are several letters, which, while perhaps of slight historical importance, paint a charmingly human portrait of Washington not often found in textbooks.

### With the Magazines

Many persons think of newspapers as public institutions. A newspaper does not seem like a business at all; it performs a public function and somehow has an official and impartial air. All this, says Bruce Bliven, is nonsense. In an article entitled "Free for What?" in the February *Social Frontier* he declares that newspapers are private capitalistic enterprises "which exist primarily to make profits for their owners." It is true, of course, that they are entrusted with the public interest, and it is this fact which Mr. Bliven considers so unfortunate under the circumstances. His challenging article cites several glaring instances of how publishers have distorted news events to suit their own ends. Chief among these was the concerted misrepresentation of news concerning the San Francisco strike last summer. California papers wilfully branded the strike as a Communist uprising though they knew very well it was nothing of the sort, as even Californians now admit. Mr. Bliven asserts that they even went so far as to tell General Johnson that if he tried to make a settlement with the strikers, which would mean the acceptance of one particular request, he would be run out of town.

Three-quarters of the world's mail and more than one-half of its newspapers are written in English, declares Henry L. Mencken in an article on "The Future of English" in *Harper's* for April. English is the language broadcast by three-fifths of the world's radio stations, and every year sees it making further inroads into the languages of other nations. In this fascinating article we learn that so many English words have crept into the Japanese language that special dictionaries of them are beginning to appear, while in India English is accepted as the language of business and politics. What is the reason for this steady expansion of the English language? For one thing, Mr. Mencken points out, the English are great travelers and colonizers. Secondly, they are probably the world's worst linguists and accordingly they inflict their own tongue wherever they settle. The chief reason, however, lies in the merits of the language itself. Despite its illogical and sometimes fantastic spelling, English is simple, clear-sounding, concise, and logical in its arrangement of words. Moreover it has few of the grammatical difficulties offered by other languages. It is Mr. Mencken's belief, however, that when English does conquer the world, it will not be the English of Britain, but the English of America.



LAFAYETTE AT MOUNT VERNON IN 1784

An illustration in "The Autobiography of George Washington," by courtesy of the Metropolitan Museum of Art.

### THE AMERICAN OBSERVER

A Weekly Review of Social Thought and Action

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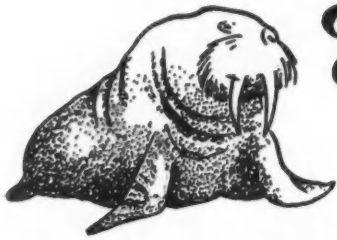
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## The Walrus

"The time has come, the walrus said, to talk of many things: of shoes—and ships—and sealing wax—of cabbages—and kings."

**NRA Defender** — The employees of the NRA here in Washington have been on the anxious seat for a while. Will the NRA expire on June 16? If so, the jobs of these employees will go with it. And so the whole staff, janitors, messenger boys, typists, stenographers, clerks, executives, have been worried. Then one day last week there was a bustle of excitement. Everyone was saying that the day had been saved. The NRA would be renewed. The tide had turned. The testimony of Sidney Hillman before the Senate committee which was studying the NRA had turned the trick. So the story went around.

Whether the hope of the NRA staff was justified or not will be determined later, but unquestionably Sidney Hillman made out an impressive case for the NRA. Hillman has spent his life in the labor movement. He was long the leader of the Amalgamated Clothing Workers, which was considered one of the most efficient labor organizations. He was born in Russia, but is a naturalized American citizen. He is not an agitator, but is the thoughtful, well-informed, powerful type of leader. For years his reputation in labor circles has been world wide. Many students of labor movements regard him as the most competent representative of organized labor in America. At the present time he is serving as a member of the board directing the NRA.



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SIDNEY HILLMAN

**Propaganda** — A few days ago when a certain measure was before Congress and was about to be decided, members of Congress received whole basketsful of telegrams calling upon them to vote against the measure. These telegrams are said to have had the opposite influence from that which they were intended to have. The reason was that they were all worded the same way. They were identical. That proved that they had not resulted from spontaneous interest of people in all parts of the country. The idea of sending them had originated in some central office. The word had passed around that these telegrams should be sent in and a form telegram had been sent about as a sample. When members of Congress get a great number of telegrams, all with the same wording, they know that some central propaganda agency is behind the movement, and if they are at all independent, they are irritated rather than impressed by the flood of messages.

**Labels** — I was listening the other day to a discussion of an important economic problem and was following with interest as one of the participants was sensibly and forcibly outlining his ideas. Suddenly one of the parties to the discussion broke in with, "Is that not socialism?" It happened not to be socialism that was being advocated, but that was not the point which interested me. I was impressed by the silliness of the question. After all, what is the difference what you name a thing? Here was a set of ideas which were being explained, a program which was being advocated. The thing to do was to show whether it was good or bad, but the person who broke in with his question was one of that large body of people who are always trying to attach labels to things and then talk about the labels. These people are usually unable to get down to reality and to talk specifically about concrete things. They have stock arguments, however, for or

against socialism or capitalism or fascism or democracy or liberalism or free trade or any one of a hundred other things. They think they have accomplished a great deal when they pin one of these labels upon a program or an idea. Then they bring forth their stock arguments. The chances are that they are missing entirely the pertinent facts of the subject under consideration. But that means nothing to them. They are satisfied if they have attached their label to something so that they can trot out their trite and hackneyed arguments.

✱ ✱

**Why Not Go to Work?** — A United States senator said in a Senate address not long ago that the troubles of the country would be over if all the people would go to work and pay their debts. He was arguing against relief. He was giving the impression that the unemployed could find jobs if they wanted to and that it was their own fault if they were out of work. When I heard this callous, indifferent, inhumane, and ignorant remark, I was reminded of the comment credited to Marie Antoinette who, upon being told in the early days of the French Revolution that the people had no bread to eat, asked why they did not eat cake.

—The Walrus.

## Issue Develops Over Group Medical Care

(Concluded from page 1, column 1)

ance. They say that we should have a system under which people, by paying a small sum each month, could be guaranteed full medical attention whenever they needed it. A number of studies of the problem have been made, and it is claimed that for regular payments of from \$2 to \$3 a month a person could be assured of medical care. As a matter of fact, in some parts of the country experiments in health insurance are now being carried on. Let us look in on several of these experiments.

Perhaps the most successful one is in Los Angeles where the Ross-Loos Clinic has attracted much attention. The clinic is operated by about 25 physicians. For the sum of \$2 a month a person may receive medical service either at his home or at the clinic. This does not include dental or nurse service. It does, however, include everything else. Moreover, if the head of a family pays the \$2 a month, the rest of the members of his family are also guaranteed medical attention when they need and desire it. This plan has seemed to work out well thus far.

Then a number of private companies have established systems of health insurance for their employees. The employee



THE COST OF MEDICAL CARE OFTEN HURTS MORE THAN THE ACTUAL ILLNESS.

pays a small sum out of his salary each month, the employer puts in another small sum and a fund is established to pay medical costs. There are a number of instances in which health insurance of this kind is being carried on successfully. In fact, in normal times there are approximately 2,000,000 workers who are protected by some type of company-sponsored health insurance. This number, however, has dropped during the depression.

In addition to these plans, there are the student health services in more than 150 American colleges and universities. Well over 1,000,000 students participate in such groups. Some of these institutions charge students small annual fees for complete medical service, while other colleges furnish only part of this service, the students themselves having to pay for their more expensive medical treatment.

### Group Hospitalization

All these plans are possible because the cost is spread out over so many people. Health insurance is based on the same principle as other kinds of insurance. Some of the people who contribute money to the health funds are not sick very often and therefore their money is used to help pay the expenses of those who are sick frequently or who suffer long illnesses. Even though one may go for several years without seeming to benefit from health insurance, he is certain to feel more secure. He knows if he does become seriously ill he will be taken care of. Another advantage is that he can figure out in advance just how much he will have to spend on doctor bills, whereas, otherwise he has no way of telling how much he may be compelled to spend in this way.

Many social workers believe that the insurance plans which we have mentioned are all right as far as they go. But they feel that it will be years before voluntary and private health insurance schemes are adopted on a wide enough scale to provide adequate medical care for the majority of people. It is argued, therefore, that state-wide systems of health insurance should be put into effect at once. Medical care, it is contended, should be brought under public rather than private supervision. Each state should make plans to establish community medical centers. The people in each community who could afford to do so would make monthly contributions amounting to about \$30 a year to these centers. This would entitle them to all the

medical care they needed during the course of the year. Doctors would be employed by the state or community to practice in these centers. They would be paid on a salary basis. The amount they received would depend on their previous training and experience. People making contributions would be free to choose any doctor on the community medical staff.

### Doctors Object

There is, however, a great deal of opposition to this plan or any other scheme of health insurance. The American Medical Association, a national organization to which practically all doctors belong, is putting up a stiff fight against plans of this sort. The association thinks that state control of medicine would do much more harm than good. It maintains that doctors and dentists would become paid employees. They would not have a warm personal interest in their patients as they do now. And, most doctors argue, there would be danger that politics might creep in if a health insurance system were to be administered by a state government. The doctor might be interfered with in ways which would harm both him and the patient.

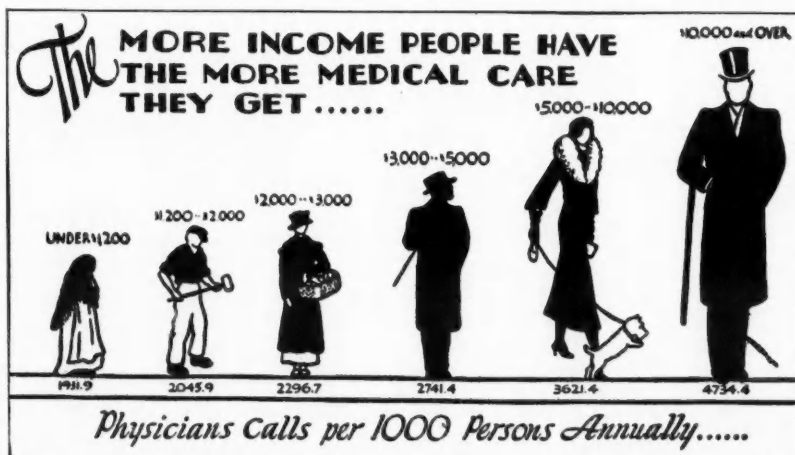
Doctors admit that the present situation is bad, both for them and for people with low incomes. But they are confident that times will get better, making it easier for people to pay their doctor bills. They warn against the hurried adoption of insurance schemes which might wreck the long-established private practice of medicine and which might prove inefficient and unable to tend to the nation's medical needs. It is to be seen, therefore, that there is considerable opposition to health insurance. The American Medical Association has the support of all those who fear, as it does, that the possible evils of a state-controlled medical system are greater than the weaknesses of the present system.

There is no doubt, however, that there is a growing demand for some type of health insurance on the part of many people. They feel that only the rich can now afford proper medical care and that some system should be devised by which all the people can obtain regular treatment. It is argued that health insurance works, that it has been tested in most European countries and in a number of South American countries. Under the proper system, it is claimed, the doctor would not be interfered with. After all, it is pointed out, our schools are under public control and they are, for the most part, well managed. Teachers in public schools are not interfered with any more than they are in private schools.

### Other Arguments

It is contended that doctors, if medicine were brought under state control, could devote themselves entirely to their work without having to worry so much about money to live on. By combining their efforts, they could cut down their expenses. They would not have to duplicate expensive equipment to the extent they do at present. Finally, the nation's health would be improved because people would consult their doctors more frequently.

We are likely to hear the arguments for and against health insurance for some time to come. It is a rapidly growing issue in this country. State legislatures are studying the problem and so are many private individuals.



—Courtesy Julius Rosenwald Fund  
THE MAN ON THE RIGHT WHO HAS A GOOD INCOME GETS MORE MEDICAL CARE THAN THE POORER PEOPLE ON THE LEFT.



# Taking the Profits Out of War

(Continued from page 1, column 4)

involved in a war. The most drastic proposal yet made is the one which the Senate munitions committee, headed by Senator Gerald P. Nye of North Dakota, will recommend to Congress. This plan is largely the work of Mr. John T. Flynn, an expert on financial and industrial problems and a renowned writer on these subjects. If Mr. Flynn's plan is accepted, we may expect things to be much different during the next war from what they were in the last one. In the first place, we would have no huge debts to pay off after the war, as we still have in the case of the World War, and there would be no possibility of the amassing of gigantic fortunes as there was 20 years ago.

Perhaps the most important feature of the Flynn proposal is the prevention of large profits through a wider use of the federal government's taxing power. All profits would be taxed more heavily than they have ever been taxed in this country. All profits above six per cent would be confiscated by the government; that is, a tax of 100 per cent would be levied on them. Profits up to six per cent would be taxed 50 per cent. In this way, no one could hope to gain much during the period of a war, for the government would take the bulk of the profits. To supplement this feature of his plan, Mr. Flynn would increase the income tax on every individual making as much as \$1,000 a year and would permit no one to earn any more than \$10,000 a year. In this way, the enormous



JOHN T. FLYNN © U. & U.

As he appeared before the Senate Munitions Committee.

salaries and bonuses paid during the World War to corporation managers and officials would be made impossible. Moreover, it would be impossible for corporations to boost their salaries at the outbreak of war in order to avoid paying the heavier taxes by requiring all businesses to publish all salary lists.

## Tax Proposals

The primary object of these tax proposals, in addition, of course, to their purpose of eliminating profits from war, is to make it possible for the government to pay for the war as it progressed. There would be no need of the billion-dollar loans which the government was forced to make during the last war through the Liberty bond campaigns. In this way, the generation which made the war would be obliged to pay for it and would be unable to thrust the financial burden on to the shoulders of future generations as has been the case in the past.

The Flynn plan calls for a number of other measures equally drastic in nature. For example, it provides for the drafting of corporation officials in time of war just as the ordinary citizens are drafted. It authorizes the government to take over the essential industries and run them in order to meet the demands of the war. No profits could be made from speculation in price changes as the government would fix commodity prices and would close the commodity exchanges. Thus, while the government would not actually operate the industries of the nation in war time, it would, for all practical purposes, have everything so securely under its thumb that it could do about as it pleased.

Drastic and far-reaching as these various proposals are, Mr. Flynn and the members of the committee who are urging their adoption by Congress do not feel that they



—Photo by Charles G. Mulligan

## A REMINDER OF A PAST EXPERIENCE

The Tomb of the Unknown Soldier in Arlington National Cemetery silently memorializes those who profited the least by the last war.

are unreasonable. It is only fair, they say, that while workers and others are drafted into active military service, sacrificing their lives and their incomes for \$1 or \$1.25 a day, the citizens who stay at home should at least cooperate to the extent of foregoing the opportunities of making gigantic profits. Everyone should bend all his energies to the carrying out of the national policies and should be obliged to forget his personal interests during the emergency.

## Other Aims

Behind this plan there is another powerful motive, more subtle than the purposes we have outlined, which has not been overlooked. If business men, munitions makers and others, were confronted by the unpleasant fact that they would lose money rather than make money by a war, they would not be so anxious to have the United States get into another war. We do not mean to imply that we have become involved in wars in the past because business men wanted the country to do so, but very often they have not exerted their influence toward keeping us out of war. It is the belief of those who support the Flynn plan that in the future the big business interests of the country would actually use their influence to keep the United States out of war, and that influence is a force which must be reckoned with. Powerful individuals or corporations control most of the avenues of news; the press, the radio, the movies. They are in a position to exert a tremendous and telling influence over public opinion. It was largely because the influence of the press was used in favor of war in 1898 that the United States became involved in the conflict with Spain. Now, if all these agencies for the dissemination of information and thought were united behind the prevention of war, there is less likelihood that the country would become so easily embroiled. At least such is the argument of those who want to take the profits out of war.

While President Roosevelt is known to favor a plan for eliminating war profits, there is no certainty that he will throw the weight of his office behind the Flynn proposal. He has as yet given no indication as to just where he stands on the issue. There is some reason to believe that he does not favor anything so drastic as the program which the Senate committee will recommend. A few months ago, the President appointed a committee of his own, headed by Bernard M. Baruch, which has been studying the subject. It is thought that Mr. Roosevelt will stand by the recommendations of the Baruch committee.

The Baruch committee has not yet made its report, but it is generally understood that its recommendations will be mild indeed, compared with those of the Nye committee. The principal feature of the Baruch plan will be the fixing of prices upon the outbreak of a war. It is felt

that if all industrialists were prevented by law from boosting their prices in time of war, the possibility of making the huge profits which accrue to them as a result of war would be eliminated. While it is admitted that such a proposal would not completely abolish war profits it would at least go a long way toward doing away with the abuses which have always existed in the past.

The opponents of the Baruch plan are of the opinion that the mere step of fixing prices would be but a drop in the bucket which would fail completely to get at the root of the problem of war profits. Even if industrialists were prevented from boosting their prices during a war, they could still make enormous profits, greater profits, in fact, than they make in time of peace, because of the greater quantities of goods they sell. So, it is argued, profits would still be excessive and the business community would have no particular interest in working for the prevention of war as it would have if practically all its profits were effectively eliminated.

## Battle Looms

Whichever of these proposals is accepted by Congress, if either one is, the whole issue raised by the curbing of profits in time of war is likely to be one of the most controversial in recent times. The recommendation of the Senate munitions committee is likely to meet the almost united opposition of the business interests. Most business men feel that the needs of the government for war supplies can better be met if they are left relatively free, and that all the proposed restrictions will make business men resentful and unwilling to

coöperate. There are some, too, who are afraid of such a drastic program, feeling that if it were adopted in time of war it might be carried over into the peace period and that such a course would be extremely dangerous and un-American.

It is not at all unlikely that other proposals will be added, once the issue is up before Congress. A number of students of the subject feel that the attack should be made on the munitions companies themselves and not on all industrialists. They say that the government should limit its drastic control to those organizations which make and sell the actual implements of war, since it is they which make the largest profits and which, in the past, have been guilty of promoting wars. Either the government should limit their profits by the enactment of rigid laws, or the government should itself take over the munitions industry in time of war. There are some

(Concluded on page 7, column 4)

## Something to Think About

1. How might the adoption of the Flynn proposal prevent the United States from entering another war?
2. What, in your opinion, is the most important objection to the adoption of a plan so drastic as that recommended by Mr. Flynn?
3. Do you think the government should take over the munitions industry at the outbreak of war? Would such a plan have any advantages which the Flynn program does not have?
4. Are the medical requirements of the people of your community being adequately met today?
5. Explain a number of the health insurance plans now in operation. What objections have been raised against the principle of health insurance?
6. How has the open-door policy enunciated by John Hay been violated by Japan?
7. Why is it possible that our adherence to the open-door policy in China may lead us to war with Japan? What course do you think the United States should take?
8. "There is some indication that England is playing her traditional balance of power game in dealing with Germany." Explain that statement.

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PRONUNCIATIONS: Manuel Quezon (mah-noo-ail' kay-sone'), Theunis (te-nees'), Van Zeeland (vahn zay'lahnt), Sejm (same), Pilsudski (peel-sood'skee), Minobe (mee-no'-bay-o as in go), Sakhalin (sok-a-leen'), Hirota (hee-ro'tah-o as in go), Karachi (kah-rah'chee), Stresa (stray'sah'), Nice (nees'), Reichswehr (ricks'vare-i as in time).



THE SENATE MUNITIONS COMMITTEE

Left to right (front row): Senators Walter F. George of Georgia, Gerald P. Nye of North Dakota, chairman, Homer T. Bone of Washington. (Back row): Senators James P. Pope of Idaho, Warren Barbour of New Jersey, Bennett C. Clark of Missouri, and Arthur Vandenberg of Michigan.

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THIS is the sixth installment of this feature. These three imaginary students will meet each week on this page to talk things over. The same characters will be continued from week to week. We believe that readers of THE AMERICAN OBSERVER will find it interesting to follow these discussions week by week and thus to become acquainted with the points of view and personalities of each of the three characters. Needless to say, none of the views expressed on this page are to be taken as the opinions of the editors of THE AMERICAN OBSERVER.

**Mary:** Well, it looks now as if we would have a continuation of the NRA. I have been somewhat worried about that. You know it expires June 16 by law, and unless Congress extends it, it will go out of business on that date. It seems to me that would be a calamity, for the NRA is the most important work of the Roosevelt administration. It is the best feature of the New Deal. It is the central part of the recovery program.

**John:** Well, if the NRA is the best which the administration has to boast of, I can't say much for the New Deal. What has it accomplished?

**Mary:** Before we get into the question of just what it has accomplished let's stop



JUST A SIMPLE OPERATION  
—Hutton in Philadelphia INQUIRER

a minute and see what its purposes are. As I see it, the NRA undertook to do several important things. In the first place, it raised the wages of those who were very poorly paid. It said that no industry could pay less than a certain minimum amount to its workers. This has varied in the different codes, but the minimum is around \$12 or \$13 a week. Before the NRA went into effect, many workers were getting much less than this, some of them only \$3 or \$4 or \$5 a week. That is one thing that the NRA undertook to do. This raising of the wages of the very poorly paid was to serve two purposes. In the first place, it was a humane act. It created better living conditions for hundreds of thousands who had been living very badly. In the second place it gave more money to these poorly paid workers. Since they had more money, they could buy more goods. Hence it increased the purchasing power of the country. Since the total amount purchased would be more, production could be increased, and this would help get us out of the depression.

Another thing which the NRA undertook to do was to pass work around. The hours were shortened in nearly all industries. This required employers to put more men to work. It helped the unemployment situation.

**Charles:** You say it undertook to help the unemployment situation? I am glad you put in that word *undertook*. I don't see any evidence that it actually did help unemployment. Aren't there as many men unemployed today as there ever were? Certainly there are more people on relief than have ever been before.

**Mary:** I think it isn't true that there are as many unemployed as there were two years ago. But even if it were, that would not prove that the NRA has not helped the situation. By shortening hours, by requiring that more men be employed in a factory to produce what was being produced

# Talking Things Over

## Giving New Life to the NRA. What Has It Accomplished? What Changes Should Congress Make in Extending the Law?

before, the NRA must certainly have added to the numbers who were employed. Probably if we had not had the NRA there would have been more people unemployed today than there were two years ago. If unemployment has not diminished much, the failure to do so is in spite of the NRA and not because of it.

**John:** As a matter of fact we don't know. Mary doesn't know and none of the rest of us knows how many men or whether any men at all have been given employment as a result of the NRA. Our statistics aren't good enough for that. We are in the dark.

**Mary:** Sidney Hillman, who is a labor leader with a very good record, said that the NRA had increased employment by around 3,000,000.

**John:** Well, Sidney Hillman is working for the NRA. Clarence Darrow, who testified before the Senate committee the same day that Hillman did, doubted whether the NRA had done any good along that line.

**Mary:** Well, of course, I can't prove it absolutely, but it stands to reason that the NRA has helped employment, and here is one thing that we do know. It has put a stop to child labor, which was a terrible curse to millions of children.

**Charles:** Not so fast, Mary. I know that the NRA is given credit for having abolished child labor, but that is a sweeping statement. It has put a stop to child labor in the factories. That is, it is supposed to have done so. Let us assume, for the sake of argument, that it has. But there are only about 100,000 children who have been working in the factories. Most of the child labor is on the farms and in street trades of different kinds such as the selling of papers. This street work for children is the most harmful morally of all and it hasn't been touched. Neither has child labor on the farms.

**Mary:** But it wouldn't be fair to argue against the NRA on the ground that it hasn't stopped all child labor. It surely is to its credit that it has stopped some of it. It has taken a big step in the right direction.

**John:** But it would be equally unfair to claim that the NRA has done wonderful things, that it deserved to be kept going because it has stopped child labor when, as a matter of fact, it has stopped only a little of our child labor.

My objection to the NRA is that it has interfered with business. The government has no right to step in and tell private individuals how they shall conduct their business. That deprives people of liberty. Furthermore, it interferes with recovery. If the government hadn't stepped in with the NRA, putting a lot of restrictions on business, telling employers how much they had to pay labor and how many hours they could work, and so on, business would have got on its feet. Business men could have kept their costs down. Their prices could have been low. Then people could have bought more goods. When they bought more, production could have been increased and we would have been getting out of the depression, but the government stepped in with all kinds of hampering restrictions and so we aren't much further along toward recovery than we were.

**Charles:** Well, I'm opposed to the NRA for an entirely opposite reason. I think the government had a right to interfere. It had to interfere because industry was already flat on its back and couldn't get up. It was a good thing for the government to step in and say that wages ought to be higher so that people would have more purchasing power and it was a good thing to try to spread em-

ployment by cutting down hours of labor. It was a good thing for the government to try to improve living conditions when private industry didn't do it. But here is the trouble with the NRA. Not only did it try to raise wages and spread employment, but it gave the owners of business the right and the power to increase their prices. Each industry could establish its code and many of these codes fixed prices, refusing to allow any firm in the industry to charge lower prices than those which were fixed. The result was a hiking of prices all along the line. This completely destroyed the good effects of higher wages. The men might get higher wages, and some of them did, but they had to pay more for what they bought, so they couldn't buy any more than they did before. Living conditions were not improved. Purchasing power didn't go up. Production was not stimulated. That's the trouble with the NRA. It is contradictory. It tries to do one thing with its wage provisions and the opposite thing by its price-fixing provision.

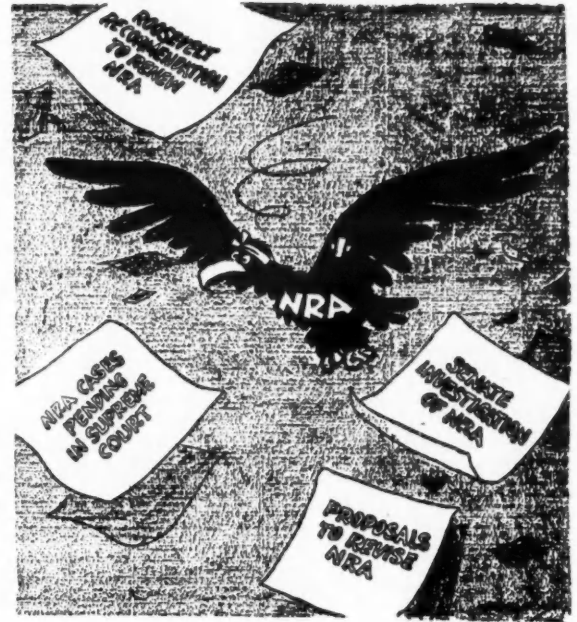
**Mary:** I agree with that criticism of the NRA, and most of its friends do. For that reason when the NRA is extended, given new life by Congress, it is probable that action will be taken to stop price fixing except in a few industries. Because certain weaknesses have turned up in the work of the NRA, it doesn't mean that the whole thing should be thrown overboard. We should correct the weaknesses and maintain that which is good. I don't see any argument against keeping the NRA and having it go ahead boosting the wages of the low-wage workers and shortening hours and stopping child labor in the factories and mines. We can keep that kind of an NRA while doing away with parts of it which have proved harmful.

**John:** Speaking of harmful parts, what about Section 7A? The NRA declared in that section that the workers should have a right to organize. It was indefinite as to just how they should organize, but it put the government behind the labor unions. This started labor agitations everywhere. It is responsible for labor unrest, for strikes and disturbances which are checking recovery.

**Mary:** These disturbances are not due to the fact that labor is given the right to

organize. They are due to the fact that working conditions are very bad and wages are low. If it were not for these conditions the workers would not be demanding the right to organize. If we would remove the cause of labor unrest, we would remove the unrest itself.

**Charles:** That's good, Mary. At least it's good in principle. You have answered John's argument all right, or at least your answer would be good if the NRA had really done what it promised to do, but Section 7A has not been enforced. Work-



WHERE AM I?  
—Herblock in Winfield DAILY COURIER

ers are not given the right to organize. Many companies form their own unions, dominated by employers. They do not let the national labor unions organize. These company unions knuckle to the employers. Then when the real labor unions make appeals to NRA authorities they are ignored. The NRA stands back and does nothing about it.

**Mary:** Then let's strengthen Section 7A. Let's not throw the NRA overboard, but let's supplement it with the Wagner Bill which provides for a labor board which will have real power.

**John:** If you do that we will have so much labor agitation that industry will be tied up and we'll get nowhere.

**Charles:** Well, I am not enthusiastic about the NRA, but I am willing to suspend judgment until I see what kind of amendments are put through. I think we would all do well to follow closely the hearings of the Senate committee and the recommendations it makes. I understand that the NRA isn't popular at all with the Senate and the House of Representatives and that maybe it will not be renewed. Whether I will favor its renewal will depend on the changes which are made in it.

## PROFITS IN WAR TIME

(Concluded from page 6, column 4)

who would go even so far as to have the government take over the manufacture of all munitions now so as to prevent the recurrence of abuses of the past.

All these proposals are certain to attract wide national interest and attention because, with the present unsettled conditions throughout the world, the American people are looking to the future. At present there is an almost unanimous feeling against our participation in any future war, especially a war in Europe. The memory of the last war still stands out clearly in the minds of the people and they are determined not to repeat the experience of the past. It is significant, however, that in 1914 the American people were as strongly opposed to war and that, in spite of widespread opposition, we were drawn in. The same thing may happen again. If it should happen, it would be well now to make plans to control profits so that all the people would be on a relatively equal footing and that the shameful abuses of the past would not recur.



NEWS NOTE: ROOSEVELT MOVES TO EXTEND THE LIFE OF NRA  
—Carmack in CHRISTIAN SCIENCE MONITOR





IN MOST history texts only a few short paragraphs are devoted to a subject which has become one of the most important in our national life and which may well involve us in the most serious difficulties abroad in the near or remote future. We are speaking of the famous open-door policy which was enunciated in 1899 by John Hay, one of our great secretaries of state. The significance of this doctrine or

### **The open-door policy enunciated by John Hay**

policy can best be appreciated when we say that it ranks second only to the historic Monroe Doctrine as a basis of American foreign policy.

As the Monroe Doctrine set forth clearly and simply the basic principles which should guide the United States in its relations with the other nations of the western hemisphere, so the open-door policy was a statement of the basis upon which our intercourse with the nations of the Far East should be carried on. For the last 35 years, the open-door policy has been the key to all American dealings in the Orient, either with the eastern nations themselves or with the western nations which have a stake in the Far East.

Just what are the main provisions of the open-door policy? What are its objectives and how does it affect the United States, as well as other nations? How has the open-door policy involved us in serious difficulties with Japan during the last three and a half years, and why is it likely to figure so largely in our future relations with the Orient? Will our insistence upon the carrying out of John Hay's policy eventually involve us in an Asiatic war? These are questions with which every alert student of American foreign relations must deal if he is to be familiar with the most important of present-day realities.

The purposes and provisions of the open-door policy are not difficult to understand. The policy provides for two things. In the first place, it calls for equal opportunities for every nation in dealing with China, and in the second, for the maintenance of the political and territorial integrity of China. This latter provision means simply that the United States and the other nations which have accepted the open-door policy agree not to take away from China territory which was hers when the policy was inaugurated.

**WHY** the United States should have been interested in the open-door policy in China is not difficult to understand. In the first place, American statesmen from the earliest days of our history had sought untiringly to secure for American trade rights and privileges equal to those enjoyed by other nations. In the Dutch and British colonies, for example, they worked for the same commercial concessions as were enjoyed by any other nation. And when China was opened to trade with the western world about the middle of the last century, the United States government not unnaturally adhered to the same principle.

### **Why the United States sponsored this policy**

But toward the end of the last century, developments in China were such as to threaten American interests. It was at that time that a number of outside nations, such as Great Britain and France and Russia and Japan, were beginning to take special privileges in China. They parcelled out certain regions of China over which they exerted a great deal of political and economic control. It even appeared that they would go so far as to make of China a subject state, various sections being set aside as colonial possessions of the powers. And the United States looked upon this trend with uneasiness, for it would have dealt a severe blow to the future trade of this country with

## **Significance of the Open-Door Policy**

By David S. Muzzey and Paul D. Miller

the largest nation in the Orient. While this economic interest was, of course, the primary reason behind our espousal of the open-door policy in China, it was not the sole consideration. There was a sentimental reason, that is, the feeling that the helpless and disunited Chinese should be protected against the imperialism of the stronger nations of the world. Strangely enough, this sentimental reason appears today to be uppermost in the minds of the American people.

At first, the open-door policy was not placed on a formal treaty basis. Secretary Hay merely sent diplomatic correspondence to the powers most directly and vitally interested in China, requesting them to accept the principles of the open-door policy. Despite the fact that they failed to pledge themselves to the principle by treaty, their acquiescence was of such a nature as to make the policy a definite and binding feature of international relations.

**FURTHER** force was given to the open-door policy of Mr. Hay nearly a quarter of a century later. The Nine-Power Treaty, which was drawn up and signed at Washington in 1922, provided, among other things, for the maintenance of the open-door policy in China by the signatories. The nations which thus formally pledged themselves to respect the territorial and political integrity of China and to grant to all nations equal rights and privileges, in trade and other matters, were: the United States, Great Britain, France, Italy, Belgium, the Netherlands, Portugal, Japan, and China. Since that time, four other nations have agreed to adhere to the principles outlined in the Nine-Power Treaty.

### **Policy received treaty sanction by 1922 pact**

All this is more or less preliminary to the great problems which have recently arisen in connection with the open-door policy in China. It is because of this policy that the United States has come into vital conflict with Japan. When, three and a half years ago, Japan marched into Manchuria and severed that Chinese province from the rest of China, she was in fact violating the open-door policy. Her act constituted a violation of the territorial and political integrity of China, for part of Chinese territory was separated from Chinese control and placed under the political jurisdiction of Japan. Moreover, the other feature of the open-door policy—the guarantee of equal rights and privileges to all nations—has been violated, for, in the state of Manchoukuo, Japan enjoys trade privileges not extended to the United States and the other nations of the world. It is interesting to note that practically every protest made by the American government against Japanese annexation of Manchuria was based on the ground that the open-door policy had been violated by the Tokyo government.

Here we come to the crux of the whole problem of our future relations with the Orient. We as a nation are pledged to the maintenance of the open-door policy in China. This policy of ours is in direct opposition to Japanese policy in the Far East. The Japanese consider it their mission more or less to dominate Asia, both economically and politically. As we have pointed out, they have

definitely launched this program by detaching Manchuria from China, controlling it both in political and economic matters. In so far as the rest of China is concerned, they have given several indications of their intention to exert greater influence than ever in the past. They have indicated that the other nations of the world will no longer have a free hand in dealing with China as they have had in the past. In other words, they have given certain unmistakable evidence that they will not abide by the provisions of the open-door policy.

**THUS** we find Japanese and American policy in the Orient in direct opposition. We insist upon one thing, Japan upon another. The two policies cannot be reconciled without a yielding on the part of one or the other nation. We have protested against Japan's policy, but all our protests have not deterred Japan in the carrying out of her policy. The big question of the future is this: What are we going to do about the open-door policy, in the face of Japanese violation on all hands? Several students of international relations feel that the United States is pursuing an extremely dangerous game in the Orient—a game which may well lead us into war with Japan if we do not modify our tactics. Mr. Frank Simonds, in his new book, "The Price of Peace," sizes up the present situation in the Far East as follows:

### **Where American and Japanese policies clash**

Actually the American position constitutes a striking but by no means unfamiliar paradox. The people of the United States have not the smallest intention of going to war to support the "open door" or to defend the *status quo* in China. On the other hand, they have committed themselves, for reasons which are moral and material alike, to a course which constitutes a refusal to bestow formal recognition upon what has taken place. At the bottom of their minds is the rather naïve notion that they can obtain the results, usually achieved only by armed intervention, without resort to arms. The danger lies in the obvious possibility that they may harvest the evil consequences of intervention while they are patently unlikely to derive any profits from their present course. . . .

In the Far East, therefore, Japan has the power to carry out the policy which she has adopted, and that policy accords with her own conception of her national needs alike strategic and economic. To arrest that policy it would be necessary to defeat Japan in war. To attempt to halt it by other means can obviously involve the United States in war. Are American interests, moral and material together, worth the price of conflict? That is the question which must presently be answered. Today, however, evading the question, the United States attempts to achieve its own ends peacefully, totally unaware of the injury such a course inflicts upon the Japanese and wholly unsuspecting as to the reaction American policy may eventually produce beyond the Pacific.

**THE** future of the open-door policy is one of the most pressing problems confronting the American people today. It is behind the whole state of tangled relations between the United States and Japan. It is back of the Japanese demand for naval equality and the rather embittered feelings which have developed during the last two or three years. What the outcome of the controversy will be, no one can predict. It is safe to say, however, that either the United States or Japan will have to modify its present policy if serious trouble in the future is to be averted. It is not at all impossible that a continuation of the present friction between the United States and Japan over the open-door may eventually lead to war. Because of the seriousness of this issue, it would be well for the American people to reexamine the policies upon which their relations with the Far East have been based during the last third of a century.

### **The open-door policy and the future of peace**

## **Glimpses of the Past Fifty Years Ago This Week**

The eyes of the country are on the New York house in which General Grant is bravely fighting what is certain to prove his fatal illness. Several times the former president was so close to death from cancer of the throat that rumor reported his passing, and flags on many buildings were lowered to half-mast.

The dispute between England and Russia over the Afghan border has reached a stage where war is imminent. The British are buying up huge war supplies and the European air is thick with hostile messages.

President Cleveland has amazed the politicians of his party by reappointing as postmaster of New York the man who held that post under Cleveland's Republican predecessor. The New York postmastership is regarded as an important political plum, and the president's strong stand has won him wide approval throughout the country.

From all parts of Germany delegates have come to Berlin to pay the respects of their communities to Prince Bismarck, the "Iron Chancellor," who is celebrating his 70th birthday this week. The kaiser himself called on his chancellor and presented him with an oil portrait of himself as a mark of esteem.

The Canadian government is finding it no small task to subdue the Indians of the Northwest Territory. There has been a concerted uprising of tribes under the leadership of a daring halfbreed. Several villages have been pillaged and their inhabitants massacred.

The Boston Post reports that Connecticut is greatly interested in the possibility of a British-Russian war because "she is furnishing cartridges for both sides."

Henry Ward Beecher, making a lecture tour through the South, declared: "All the South reminds me of budding spring, intellectually, morally, spiritually. . . . The South is 'a strong man awakened and ready for the race' . . . I was struck by the interest manifested in the education of the colored people."

The revolution of Panama against Colombian rule resulted in the burning of the city of Colon. The American government is about to send a detachment of marines to the isthmus to protect American life and property.

The old belief in the existence of sea-monsters has just cropped up again. Several residents of Alameda, California, excitedly reported "a huge black monster with a mouth two feet wide and a sixty-foot tail."